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PRESS SECTION Tel. RE 6700 Brs. 2528 and 4860

15 apr. 47

STATEMENT OF HONORABLE KENNETH C. ROYALL, UNDER SECRETARY OF WAK, BEFORE THE ARMED FORCES COMMITTEE OF THE UNITED STATES SENATE, RE S. 758 CREATING A NATIONAL DEFENSE ESTABLISHMENT

Both officially and personally I favor the enactment of Senate Bill 758 providing for the unification of the Armed Services.

National defense is a single problem, and under a single direction such defense can in my opinion be provided more adequately, more efficiently, and more economically.

This bill provides a plan which, I feel, is capable of accomplishing these objectives. It is not the only possible plan. It does not meet the individual preferences of everyone. No plan of unification could possibly meet all these varied views.

Any legislation on this subject must necessarily be a compromise. This bilt is a compromise, not only between conflicting views in the Army and Navy but also between similar conflicting views in Congress and throughout the country. To quote the President, I believe it is a "thoroughly practical and workable" compromise.

Take for illustration the power of the Secretary of National Defense. Some in the services -- and elsewhere -- seem to think that the power which the bill gives to the single secretary is too great. Others -- and I believe a greater number -- think that the position of Secretary of National Defense should be strengthened and the positions of the secretaries of the three services correspondingly weakened. On this question -- as well as on others -- I believe the bill is a fair solution, and I hope there will be no change either way.

The fact that the Army and Navy have agreed on the bill is not, of course, in any sense binding on others. But consideration should -- and I am sure will -- be given to the fact that after long and careful study the divergent views of men professionally and intimately connected with this problem have been reconciled in this present bill.

You will also recognize, I am certain, that the success of any plan of unification will in large part depend upon its support by the three armed services. A unification law which does not have the support of the leaders of these services would have "hard going" in actual operation.

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VICE ADMIRAL ROBERT B. CARNEY, U. S. MAVY
DEPUTY CHIEF OF NAVAL OPERATIONS (LOGISTICS)
ON THE BILL S-758

(9 April 1947) logical

Greater efficiency and economy are the goals in striving for better integration in the application of the nation's military potential. Many aspects of the problem have received wide publicity, but not much has been said about logistics; actually, logistics is a vital factor in any plan for such integration, for logistics may be briefly defined as the supply, maintenance, and resupply of the men and material needed for the conduct of operations. Courage and skill can win a single battle, but logistics is the life's blood of campaigns and wars. Coviously, without logistic support, a strategic plan is only a picco of paper, and, consequently, examination of logistical implications will provide a very important key to a correct answer to the integration problem. No plan for integration is acceptable if it fails to provide a proper logistical organization; the Havy has objected to some aspects of merger proposals on those grounds, but we have done more than that: We have developed a Unified Legistic Support Plan For The National Defense Establishment, and we feel that the Bill S-758 meets the practical requirements of that Plan.

This Bill does not - nor does it need to - deal directly with logistics in the operating theaters; existing field command structures are adequate. S-758 stresses top management and policy control, and the proposed organization appears sound from the viewpoint of the combatiforces and their logistics planners.

In order to see how logistics affects combat efficiency under any merger proposal, it is necessary to look at the sequence of events in providing logistic support. Reduced to its simplest form, logistics is a three-phase operation:

- (1) Statement of requirements;
- (2) Procurement;
- (3) Distribution.

The first and third phases are chiefly military, and the second is principally a commercial task (performed in the Navy Department under the direction of The Assistant Secretary of the Navy).

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16 apr 47.

STATEMENT OF

PEAF ADMIFAL CLIFFOPD A. SWANSON, MEDICAL COPPS, U.S. NAVY SUFGEON GENERAL, U.S. NAVY

BEFORE THE SENATE ARMED SERVICES COMMITTEE.

on

S. 758,

ABILL

To promote the national security by providing for a National Defense Establishment, which shall be administered by a Secretary of National Defense, and for a Department of the Army, a Department of the Navy, and a Department of the Air Force within the National Defense Establishment, and for the coordination of the activities of the National Defense Establishment with other departments and agencies of the Government concerned with national security.

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CENTRAL INTELLIGENCE GROUP INTER-OFFICE ROUTING SLIP (Revised 10 Sept 1946)

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REMARKS: Attached herewith is the statement of General Royall, Under Secretary of War, in connection with the unification bill. This may be of general interest to you. Kindly return for our files.				
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(1) The statement of requirements is obviously a military task: When, for strategic reasons, an operation is necessary, it devolves upon the military to say what men and materials are needed for its accomplishment; the military say "what, when, and where".

- (2) Procurement is the "how" that meets the demands of "what, when, and where". It is largely a commercial task, but the military have a vital interest insofar as insuring that the "how" does not adversely affect the "what", "when", or "where". Furthermore, there are supply aspects of procurement which are performed by uniformed personnel, both in the homeland and in the forward areas.
- (3) Distribution involves such functions as transportation, storage, and outloading in the continental United Stated, and it also involves overseas shipping, overseas stockpiling, replenishment of the mobile naval forces, and the delivery of men and materials to overseas contingents of all services.
- As a safeguard against exhorbitant or conflicting military demands which could overtax the resources of the country, and against wasteful duplications, there has been a very proper demand for the best possible integration of the National Defense Establishment. Sometimes these demands were accompanied by charges of waste and inefficiency during the recent war. I have no doubt that mistakes were made, but a truly objective study must avoid the assumption that the entire World War II setup was inefficient and wasteful.

The United States met the greatest logistical challenge of all time in World Ar II; the shifting fortunes of war led to sudden and radical demands from the field for new equipment or greater quantities of equipment. These demands were met amazingly well, so the question naturally arises: "They change a system that has proven its workability in war?" The only acceptable answer is: "To obtain greater efficiency and economy." That answer sounds logical, but it requires close inspection.

In war, the terms "efficiency" and "economy" have meanings very different from those accepted in connection with dollar profit and loss. In war, these words carry the connotation of achievement of the national purpose, in the shortest time, with the minimum expenditure of blood and treasure. Because lives are involved, suggestions for increased war efficiency and war economy must be subjected to something more than scrutiny in terms of a dollar-balance sheet. For example: saving money on weapons or equipment whose poor quality costs american lives is neither efficient nor economic l. Nor is it either efficient or economical to risk lives by taking risks in getting weapons or equipment to the right place at the right time; and yet such risk is inherent in any scheme which denies a responsible service control over its supply line.

Approved For Release 2002/10/10 : CIA-RDP90-00610R000100090020-6 STATEMENT OF

ASSISTANT SECRETARY OF THE NAVY W. JOHN KENNEY BEFORE THE SENATE ARMED SERVICES COMMITTEE ON S. 758

(8 and 9 april 1947.)

My statement is directed primarily towards the problem of supplying a military establishment and the character of organization best designed to do that -- with particular emphasis on purchasing and procurement. I am stressing that phase of the problem of logistics because of the interest that has been evidenced in it. If the Committee desires an amplification on the other phases, the Deputy Chief of Naval Operations for Logistics, Vice Admiral Carney, can explain from the military point of view how requirements are determined and how material procured is delivered to the fleet.

S. 758 will, in my opinion, create a more efficient organization. It makes possible a military establishment that is both responsive to military needs and to the related diplomatic and industrial requirements. However, the ultimate determination of the effectiveness of any military organization is proven only by its ability first to prevent war, and second if war occurs to win that war. The procurement of material to supply a military establishment is a function of service and to that extent is a subordinate and ancillary function. Its importance should not, however, be underestimated as it is the foundation on which the fighting force rests. The supply organization must be properly related to the military establishment it supports or the efficiency of the latter will be affected.

A supply organization must be able ---

- (1) to provide for expansion in time of war without disruption of organization or reassignment of functions;
- (2) to have the flexibility to respond to operational and technical requirements;
- (3) to provide strategic dispersion of stocks and records within practicable limits;
- (4) to have effective coordination with all operating and technical agencies of related organizations within and without the government;
- (5) to permit economy of operation through mobility of support and control of material.